



## **BACK ON TRACK EDUCATION SCHOLARSHIP ACCOUNTS**

**Testimony of Colleen Hroncich, Sr. Policy Analyst  
Commonwealth Foundation**

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PENNSYLVANIA SENATE EDUCATION COMMITTEE  
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Chairman Langerholc, Chairman Dinniman, and members of the Senate Education Committee, thank you for the opportunity to testify about SB 1230, which would provide Back on Track educational accounts to low-income students.

Time is of the essence. If you don't have kids whose educations were disrupted by the coronavirus pandemic, it's easy to underestimate the impact it's had. There are current harms in terms of emotional health and lost learning. But there are also significant long-term impacts as I'll explain. And—like so much when it comes to education—all of these harms will be more significant for lower income and minority families.

### **School closures have left many kids behind**

This pandemic has shown we must support the educational needs of individual students. Too many kids were falling behind in normal times. With the disruption in their lives from coronavirus shutdowns, the situation has been sharply exacerbated.

Many districts struggled to get remote learning off the ground, and participation rates were [mediocre in many places](#). For example, in my community in small town Pennsylvania, parents felt the switch to remote instruction in the spring was inadequate. Their children had no live or recorded classes and no phone calls with teachers. Their only direct communication was if they emailed the teachers a question—and even then, no guarantee of a timely response. Assignments were posted online, and the students were supposed to turn them in—but the grades meant nothing, so there was no incentive to do the work.

My neighbors' kids were lucky, though. They all had parents who were able to work from home. For some families, the situation was worse because they were dealing with similar disruptions but could no longer depend on schools for childcare and were forced to choose between staying at home and working. Their kids suddenly had to confront the challenges of remote learning in households where overwhelmed parents lacked the means to provide needed support.

### **Families throughout the state have had increased educational costs**

Trista and her husband have three kids in rural Butler County. When schools closed in the spring, it was really tough on her children. The family also had new expenses, such as hot spots to get internet at their home since they weren't wired for broadband. And even though their schools are now open, she worries about the learning they missed out on in the spring. Being able to hire tutors using Back on Track ESAs would be tremendous for her kids.

Trista's not alone. Families throughout Pennsylvania have had to deal with unexpected costs as schools were shutdown. Compounding the problem, many parents had their incomes reduced due to the coronavirus business shutdowns or because they needed to be home with their kids who were suddenly no longer in school.

Many students have yet to return to the classroom. Numerous districts—especially in urban areas—have not re-opened for in-person learning. This leaves families still dealing with the increased costs of at-home learning as well as new childcare arrangements since their kids are not able to be in school.

Full-time remote instruction doesn't work well for some kids. This has led to “pandemic pods”—small groups of 5-10 kids that get together on a regular basis—springing up across the state. No sooner had this trend started than we began hearing it would fuel inequity. That's all the more reason to support individual students through Back on Track. Well-off parents can already fund what their kids need to stay on top of their learning. By providing direct education assistance, we can ensure all kids have similar opportunities.

### **We need student-centered support**

While public schools have already received more than \$1 billion in COVID-related support—and were collectively sitting on \$4.6 billion in reserves before the coronavirus hit—parents and students have been left out.

As you know, federal CARES Act funds have been provided to many sectors—school districts, colleges, pre-schools, childcare facilities, hospitals, nursing homes, businesses, and more. But nothing has been done to support the families dealing with unprecedented challenges as they try to educate their children.

Direct aid to families through SB 1230 would be more effective at addressing the inequities exacerbated by the coronavirus than simply funding school districts. A national story this week focused on the disparities between York City and York Suburban school districts.<sup>1</sup> The implication was clear: with a poverty rate of around 35%, lack of funding in York City schools is to blame for the problems. But York City schools spend \$19,377 per student. Nearby Logos Academy, with 59% of families at or below poverty level, spends \$11,471 per student.<sup>2</sup> Full tuition at Logos is \$9,530, but 98% of families receive significant financial aid making the actual tuition paid just \$2,041.

Simply putting more money into the same system isn't the answer. The educational harms have been borne by individual children and parents. We need to support them as individuals—not treat them as the property of a school system.

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<sup>1</sup> <https://www.reuters.com/article/health-coronavirus-pennsylvania-educatio/insight-unequal-education-pandemic-widens-race-class-gaps-in-us-schools-idUSL3N2GI2OS>

<sup>2</sup> [https://www.logosyork.org/wp-content/uploads/2020/02/Logos-FactSheet\\_2019-2020-1-2.pdf](https://www.logosyork.org/wp-content/uploads/2020/02/Logos-FactSheet_2019-2020-1-2.pdf)

## **Long-term impact**

While the immediate harm from school shutdowns is felt by individual students, our entire economy will suffer over time. A new report by the OECD (Organisation for Economic Co-operation and Development) projects a \$14.2 trillion hit to the U.S. economy from COVID-related learning losses.<sup>3</sup> That's more than the entire economy of any country other than the U.S.<sup>4</sup>

This massive economic hit is the result of the *individual* harms each student will face from this gap in learning. The months of missed education translate into a lifetime of lower earnings—which harms the individual students and their families, but it also harms the economy as a whole.

Fortunately, the report authors point to some solutions to mitigate those harms. Key among them is individualizing education. By getting individual students the specific help they need to recover from school closures and other educational disruptions, we can put the brakes on learning losses and help kids recoup lost learning time.

That's where Back on Track education scholarship accounts come in. This important proposal is key to helping individual Pennsylvania students recover from and move past learning losses they've endured. But it will also help our commonwealth stand on firmer financial footing in the future as we work to avoid incurring our share of that \$14.2 trillion loss.

## **Back on Track ESAs would support families**

Back on Track ESAs are restricted-use accounts that can only be used for approved education purchases—like tutoring, counselors, computers, tuition, curriculum, online access, and services for students with special needs. The accounts would give parents the flexibility they need to deal with current challenges.

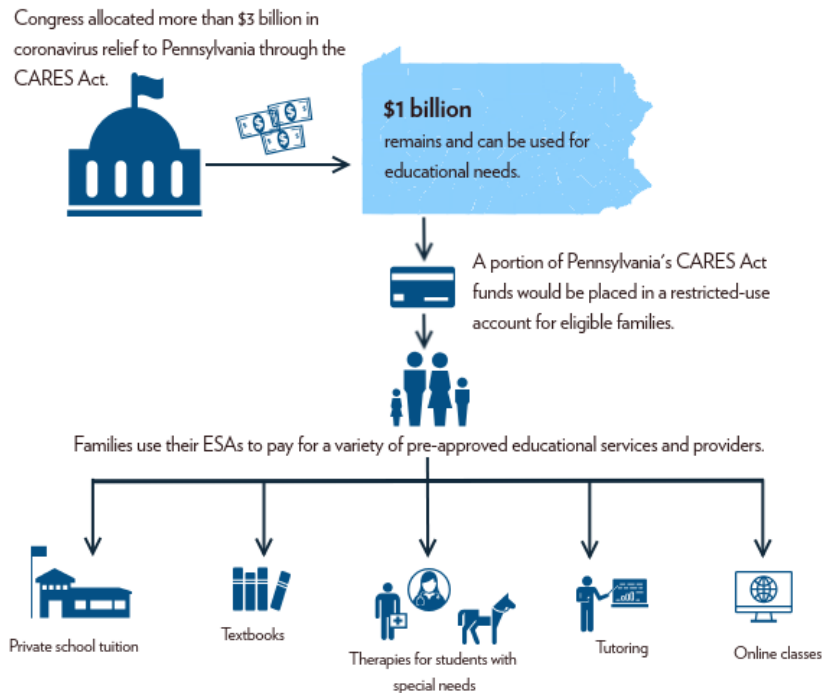
The purpose of Back on Track ESAs is to help students recover from educational harms caused by COVID-19 school closures. They can be used by families in all educational settings—public, private, and homeschool. All kids have suffered from COVID-related disruptions. Rather than attempting a one-size-fits-all solution, Back on Track ESAs will allow parents to get the specific help their kids need.

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<sup>3</sup> <http://www.oecd.org/education/The-economic-impacts-of-coronavirus-covid-19-learning-losses.pdf>

<sup>4</sup> <https://worldpopulationreview.com/countries/countries-by-gdp>

## Back on Track ESAs



### No new taxes

The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act included \$3.9 billion for coronavirus-related expenses in Pennsylvania. While much of that has been appropriated, just under \$1 billion remains available. Since the purpose of Back on Track ESAs is to help kids catch up from COVID-19 school closures, the program would qualify for CARES Act funding.

Taxpayers throughout the state have asked if they'll receive a tax rebate due to school closures.<sup>5</sup> Other sectors of the economy offered refunds to account for COVID-19 related service interruptions. Many colleges gave students partial refunds for room and board and other fees.<sup>6</sup> Auto insurance companies reimbursed customers because car accidents have been down during the quarantine.<sup>7</sup> Attorney General Josh Shapiro even threatened \$1,000-\$3,000 fines to gyms that continued charging fees for services they couldn't provide.<sup>8</sup>

Education funds are meant to educate Pennsylvania kids—and that needs to happen even if schools are closed. While Back on Track ESAs aren't a refund, they have a similar impact by providing parents a lifeline to deal with new at-home learning expenses. And while many schools are currently offering in-person instruction, students are still struggling from the lost learning in the spring.

<sup>5</sup> <https://www.mcall.com/opinion/readers-react/mc-opi-let-school-closing-comments-20200410-qjg7rclutvgjdjljw5c4mujhu-story.html>

<sup>6</sup> <https://www.educationdive.com/news/colleges-move-to-refund-student-fees-but-can-their-budgets-take-the-hit/575224/>

<sup>7</sup> <https://www.inquirer.com/health/coronavirus/coronavirus-auto-insurance-20200410.html>

<sup>8</sup> <https://twitter.com/PAArtorneyGen/status/1248623777073598469>

## Funding

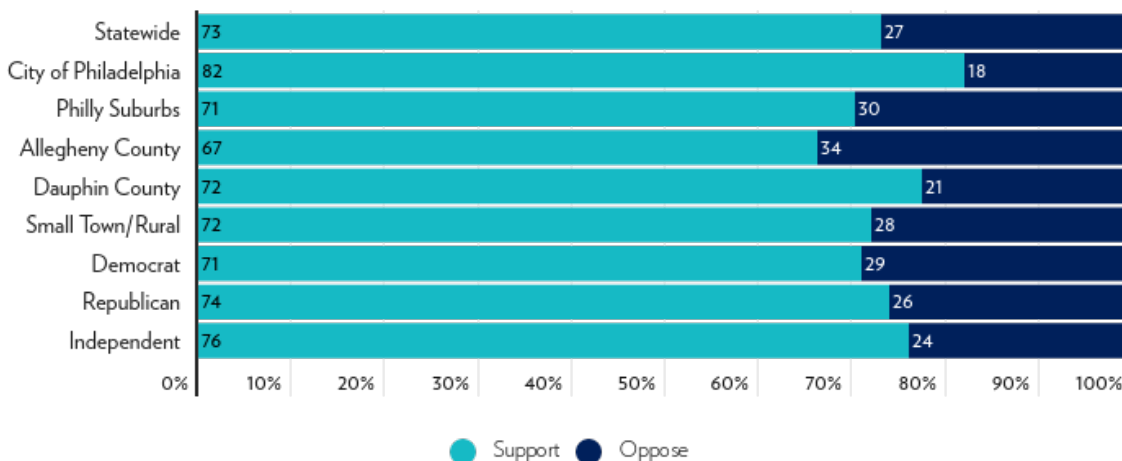
SB 1230 provides for accounts worth \$1,000 that are initially open to families who qualify for the free and reduced lunch (FRL) program. For a family of three, that means households with an income below \$40,182. There are an estimated 600,000 children<sup>9</sup> in Pennsylvania who would qualify for Back on Track ESAs using the FRL guidelines. However, money will be distributed on a first-come, first-served basis, with a \$500 million cap using some of the remaining CARES Act funds. This cap means not every eligible child will be able to receive one, but the program will potentially help 500,000 kids catch up on learning they missed during school closures. The final cost of the program will depend on how many students apply for an account.

## Broad public support for putting kids first

Polling in the spring showed 73% of Pennsylvanians support ESAs—and the poll was conducted *before* schools were closed due to COVID-19.<sup>10</sup> Now that families across the state have educated their kids at home—with varying degrees of district support—it’s likely even more would support Back on Track ESAs.

### Pennsylvanians Support ESAs

*Recent polling shows widespread support across every group.*



Source: EdChoice, Pennsylvania K-12 and School Choice Survey (conducted Feb. 23-Mar. 11, 2020), Appendix 5

More recent polling conducted in August found 66% of likely voters in Pennsylvania support direct education funding to support individual families<sup>11</sup> Among Black likely voters, support jumps to 77%.

We see similar results in national polling that found 69% of registered voters support allowing parents to use tax dollars at the school of their choice.<sup>12</sup> Support among current public school parents jumped from 67% in April to 77% in August. The same poll found 67% of respondents

<sup>9</sup>Commonwealth Foundation estimate based on income distribution stats from:

<https://www.statista.com/statistics/203183/percentage-distribution-of-household-income-in-the-us/>

<sup>10</sup> <https://www.commonwealthfoundation.org/issues/detail/new-education-polling-results>

<sup>11</sup> <https://media4.manhattan-institute.org/sites/default/files/school-choice-public-opinion-battleground-statesRD.pdf>

<sup>12</sup> <https://www.federationforchildren.org/support-for-school-choice-surges-as-schools-start/>

support giving the governor's discretionary CARES Act funds directly to families to use for education expenses.

So, while you'll hear from well-funded groups who oppose helping individual students and families, you can be assured that most of your constituents support a program like Back on Track ESAs. This is particularly true after their experiences since March.

## **Conclusion**

The COVID-19 school closures impacted every student in Pennsylvania. Every school was closed—including private, charter, and facilities that offer part-time classes for homeschoolers. Extracurricular activities were halted. Students attempting to learn from home were often jockeying for space and Wi-Fi connectivity as siblings and parents were also at home. While the closures harmed every student, the impact was hardest on families with lower incomes. That's why Back on Track ESAs are aimed initially at students who meet the free and reduced lunch program income guidelines.

Back on Track ESAs won't solve every education problem wrought by COVID-19. But they represent a tremendous step toward putting students on a path to a brighter future. Individual students bore the brunt of the impacts from the education disruptions of the past seven months. We need to give them individual support to recover.